

# TOWARDS RESPONSIBLE SOURCING: WHAT'S NEXT FOR THE ELECTRONIC EQUIPMENT SECTOR?

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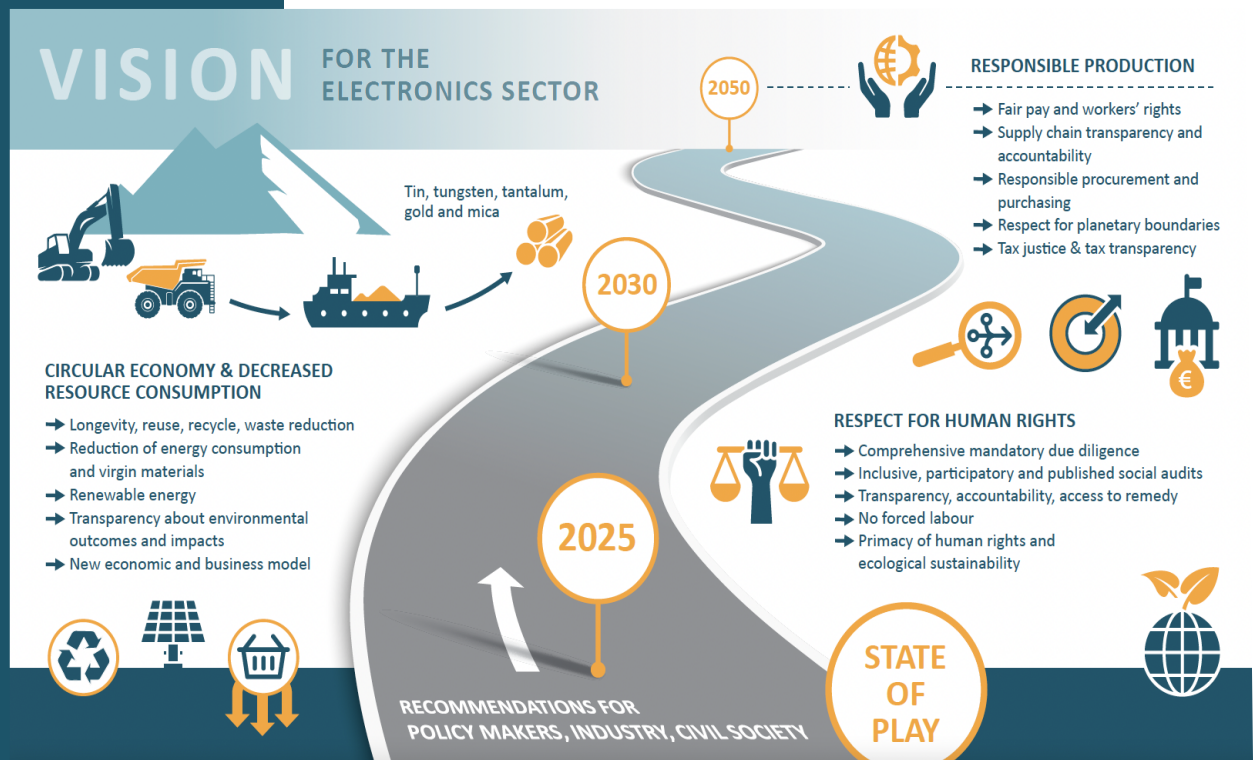
# 1. Introduction

Based on the concepts of [planetary boundaries](#) and [strong sustainability](#) as well as environmental justice considerations, the RE-SOURCING project has developed a Vision for the Electronics Sector. This Vision contains essential considerations regarding full respect for and protection of human rights, protection of the environment, including remaining within planetary boundaries, the global eradication of poverty and a significant reduction in inequality, including a minimum social foundation and a fair distribution of costs and benefits along the supply chain. But how do we get there?

Starting from [the current state of the electronics sector supply chain](#), the RE-SOURCING project, together with actors from different stakeholder groups, regions and nodes in the supply chain, developed a [sectoral Roadmap](#). This Roadmap provides recommendations for EU policy makers, for international industry, and for civil society organisations, academia and research institutions on how to achieve the vision of a responsible and sustainable electronics sector.

The [Roadmap](#) is structured to achieve three overarching targets that are interlinked and need to be pursued simultaneously to achieve the Vision:

1. Respect for Human Rights
2. Circular Economy and Decreased Resource Consumption
3. Responsible Production



## Target 1 Respect for Human Rights

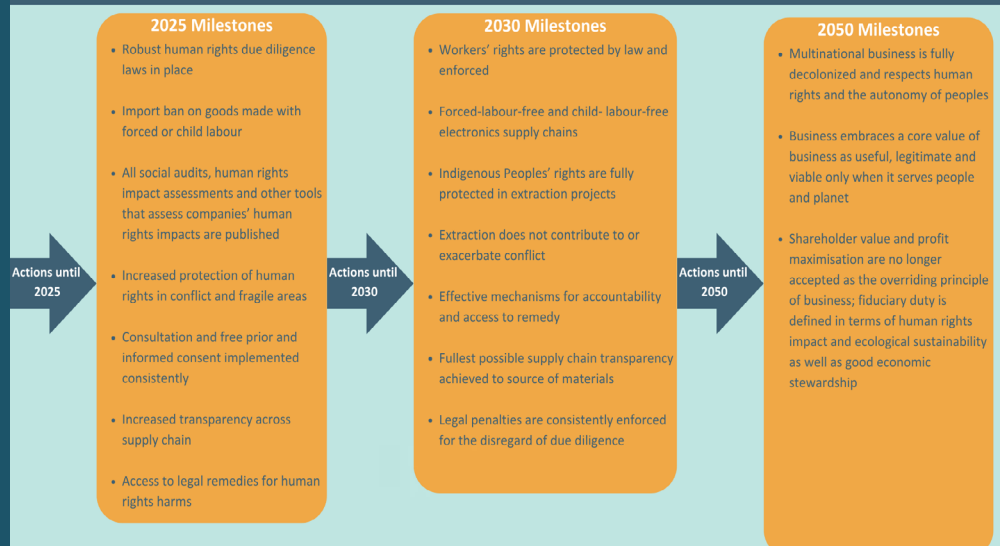
Target 1 focuses on addressing major identified gaps in human rights protection in relation to current EU legislation and voluntary industry initiatives for the electronics sector. These gaps involve inadequate due diligence, limitations of scope, loopholes and low thresholds, insufficient sanctions, a lack of consistent implementation, inadequate rights holders' avenues for protection and remedy, and poor-quality and non-transparent implementation of due diligence. For the successful implementation and enforcement of human rights, due diligence laws are a way to achieve a level playing field.

To achieve the 2025 human rights milestones for the electronics sector requires decisive action to close implementation and enforcement gaps, as well as effective consultation with, and remedy for, rights holders, and full supply chain transparency. Substantial efforts have been made to ensure the rights of individuals and communities are respected, protected and fulfilled in the context of business operations, with clarification of the legal obligations of States and responsibilities of businesses. Although such standards are increasingly reflected in laws, human rights continue to be abused across the extractive sector and throughout the electronics supply chain.

To reach the 2030 and 2050 milestones, a paradigm shift is needed so that, when multinational businesses operate across borders, the legal protection of human rights does so also. Equally, industry's business model should change to prioritise the rights of affected individuals and communities, sustainable livelihoods and the integrity of the natural environment over shareholder value, short-term profit maximisation and direct cost minimisation. The growth-at-all-costs ideology must give way to a comprehensive focus on sustainability and reducing inequality within and between countries.



### HUMAN RIGHTS PILLAR





## Target 2 Circular Economy and Decreased Resource Consumption

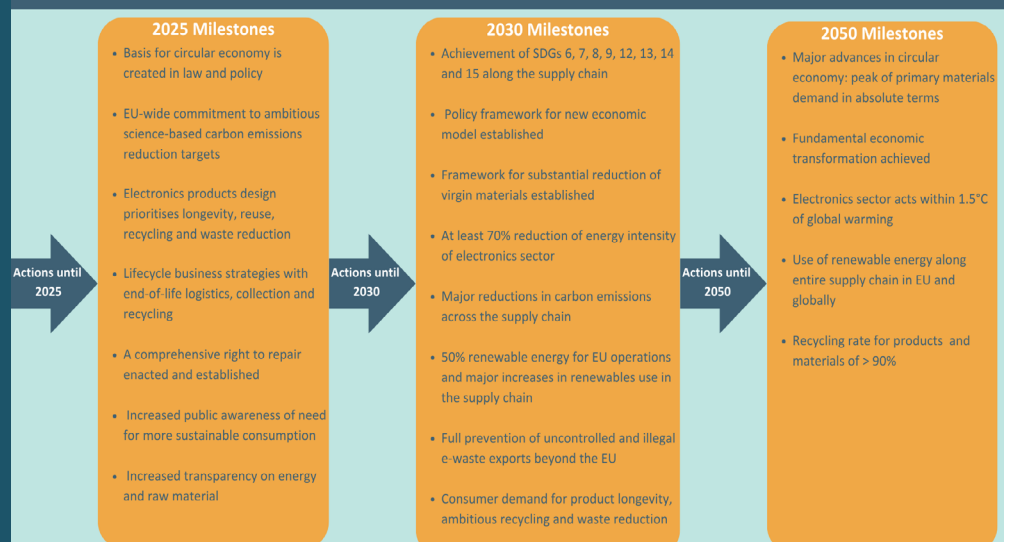
Target 2 concerns the need for changes in electronics production, product design, efficiency, public expectations, consumer behaviour, the business model, incentives and the economic system. Transition to climate neutrality requires major improvements in energy efficiency, comprehensive use of renewable energy and substantially decreased demand; biodiversity impacts also need to be addressed. Technological innovation should extend product lifetimes and reduce hardware replacement frequency. Aggressive novelty-value-based marketing should end, with EU-wide warning labels on short-lifespan goods and dramatically reduced waste generation. An accessible, affordable and effective right to repair is crucial, with improved collection and recycling of end-of-life equipment and materials as a source of raw materials.

The 2025 circular economy milestones lock in a strong foundation to achieve the target. Building on the current legal basis within the EU – and looking at ambitious increases in targets around energy consumption, waste and recycling – all stakeholders should be clear on the parameters and direction of travel. For the 2030 milestones, policy makers and industry need to embrace a significant shift in the economy, with industry planning and expecting disruption and becoming the catalyst for change, while policy makers ensure clarity and decisiveness for industry to move with the required speed and commitment. Dialogue with stakeholders in third countries should inform EU policy.

Achieving the 2050 milestones requires sustained action, building on the milestones for 2030. From 2030, policy making should merge towards a wholly sustainable model. Industry should progress away from the current emphasis on short-term shareholder value and profit maximisation towards socially responsible businesses fully accountable to wider stakeholders unconflicted by financial interests.



### CIRCULAR ECONOMY PILLAR



## Target 3 Responsible Production

Target 3 encompasses the electronics supply chain’s impacts on people, communities, the environment and climate, workers and host countries’ wellbeing. It requires a fairer allocation of costs and benefits and a major reduction of unequal outcomes. Worker protection and work conditions must improve. Mineral extraction, refining and processing, and the actions of major companies and brands, should not cause, exacerbate or benefit from conflict or abuse. Supply chain transparency, unitary taxation, and responsible procurement are also key elements.

The 2025 responsible production milestones set the trajectory for deeper change. The legal framework should ensure a level EU playing field, and the EU can also use its procurement leverage and agenda-setting role. Workers’ freedom of association and right to know will help realise decent pay and working conditions. Shifting the business model to meet universal wellbeing needs while producing and consuming less requires a policy-supported paradigm change, including extended supply chain traceability and transparency.

For the 2030 milestones, policy makers and industry should combine continuous target raising with public education to reshape demand. Company directors’ obligations should include environmental and human rights protection. Companies should publish continuous improvement plans, including for local procurement, local development, and payment of taxes due in all countries of operation without profit shifting.

Achieving the 2050 milestones requires further sustained action, merging towards a wholly sustainable and equitable model. Progressively amended legal and policy frameworks should make the economy and industry non-exploitative and social-purpose-led, prioritising ecological sustainability and social equity. Industry should ensure it becomes fully accountable to wider stakeholders unconflicted by financial interests.



### RESPONSIBLE PRODUCTION PILLAR



## Conclusion

All the responsible sourcing targets, milestones and recommendations for the electronics sector need to be addressed simultaneously in a coordinated manner. Falling behind on any one target will compromise achievement of the others. Civil society, although not explicitly mentioned in this executive summary, has a critical role alongside policy makers and industry in contributing to achievement of the intersecting targets and milestones, as described in the [Roadmap](#). Informing and engaging the public in decision making is equally important.

The responsible sourcing challenge is extremely urgent if humanity is to avert global climate and biodiversity disaster and to prevent further destruction of human life chances. There can be no environmental responsibility without corresponding obligations towards universal human rights, and vice versa. Only fully transformative change across all sectors of the economy and society will ensure wellbeing for all people and communities within planetary boundaries. The EU, its policy makers, industries, civil society and citizens can be standard bearers and trailblazers for the changes needed, but only by genuinely “walking the talk” of social, environmental and economic sustainability.

The RE-SOURCING project has also developed **Good Practice Guidelines for the Electronics Sector** to support implementation of the Roadmap recommendations. The guidelines outline responsible sourcing practices to enable peer learning and increase uptake, and they focus on three good practice cases:

- The first case uses the example of the Responsible Mica Initiative in supporting responsible workplace practices. The case shows how lead firms can support improvements in working conditions for upstream supply chain workers.
- The second case draws good practice principles from the Electronics Watch initiative, which empowers the workforce by placing them at the centre of a worker-driven monitoring programme. Electronics Watch brings together public-sector buyers, civil society organisations and human rights experts to support public buyers in following up contractual obligations with suppliers through worker-driven monitoring.
- The third case shows how extending product longevity can increase resource efficiency. Based on the smartphones designed and brought to market by the company Fairphone, the case examines personal electronic devices that create longer lifespans by relying on both product durability and consumer trust.

RE-SOURCING has received funding from the European Union’s Horizon 2020 research and innovation programme under grant agreement N° 869276.

